

# Plumas County Economic Forecast

## Forecast Summary

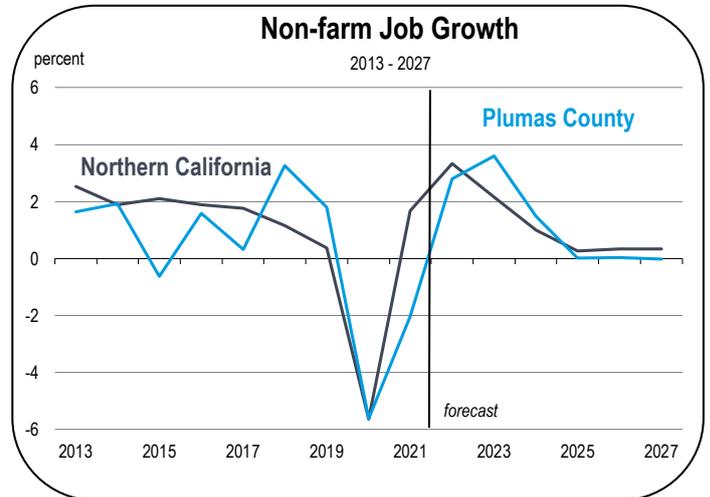
- Employment is forecast to rise by 175 jobs in Plumas County during 2022, gradually restoring jobs lost as a result of the 2020 recession.
- Another increase of 230 jobs is forecast in 2023, but a full labor market recovery is not expected until 2024. Over the 2022-2027 forecast period, total employment in Plumas County is expected to increase by approximately 500 jobs.
- Government and leisure services will be responsible for most job creation during the forecast period.
- The unemployment rate averaged 9.5 percent in 2021. It is forecast to average 6.2 percent in 2022 and 5.7 percent in 2023.
- The median home value increased by 10 percent in 2021. Home prices are expected to increase by 6 percent in 2022 and just 2 percent in 2023. The median price of a single-family home in 2022 was \$420,450 during the first 10 months.

## Job Growth

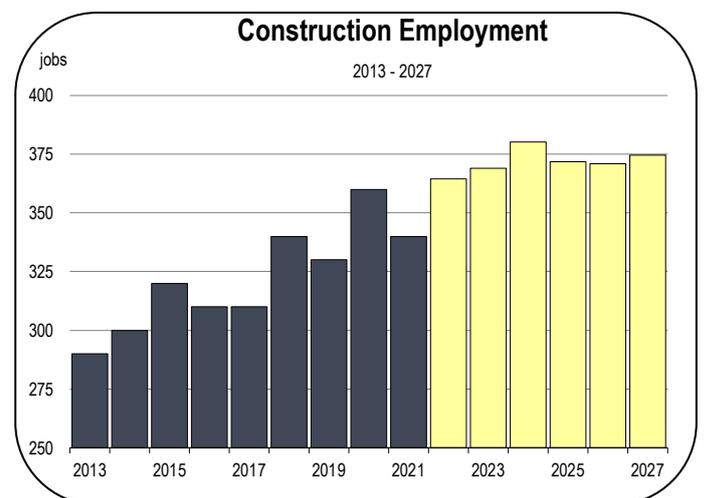
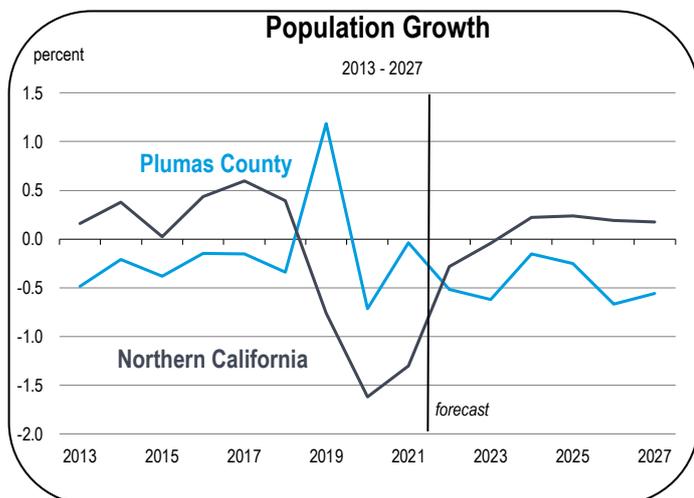
- Total employment in Plumas County will expand by 2.8 percent in 2022 on an annual average basis.
- Job growth accelerates in 2023, averaging 3.6 percent per year, after which little to no job growth is forecast through 2027.

## Construction Employment

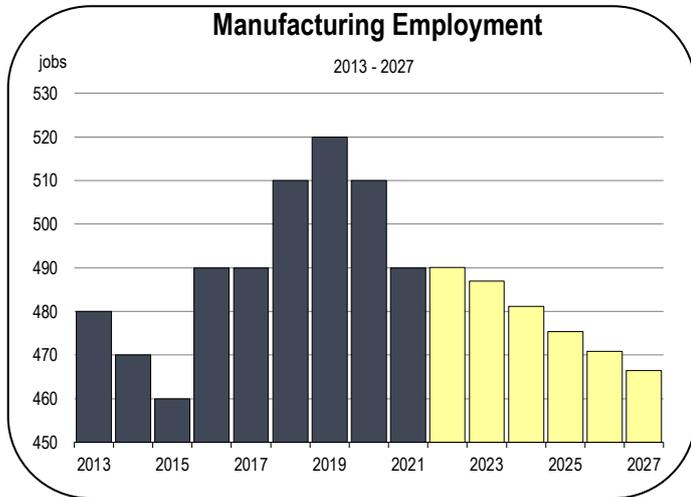
- Construction employment will increase by more than 20 jobs in 2022 as crews continue to rebuild homes and structures that were destroyed by wildfires.



- In the summer and fall of 2021, the Dixie Fire ripped through Plumas, Lassen, Butte, Shasta, and Tehama Counties, destroying 1,329 structures, 555 single and multi-family homes, and damaging 43 additional homes.
- Damage to structures occurred throughout Plumas County but was most prominent in the town of Greenville, where 100 homes were destroyed.
- The Dixie Fire was the largest wildfire in California history, burning a territory that is bigger than the state of Rhode Island.
- The rebuilding process is expected to continue over several years, with peak construction activity occurring over the 2022 to 2025 time period. Because of limited construction labor, only about 25 homes can be started per year.



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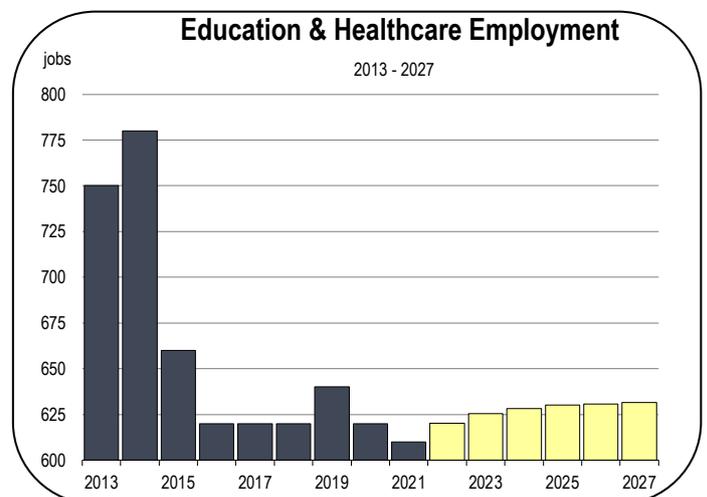
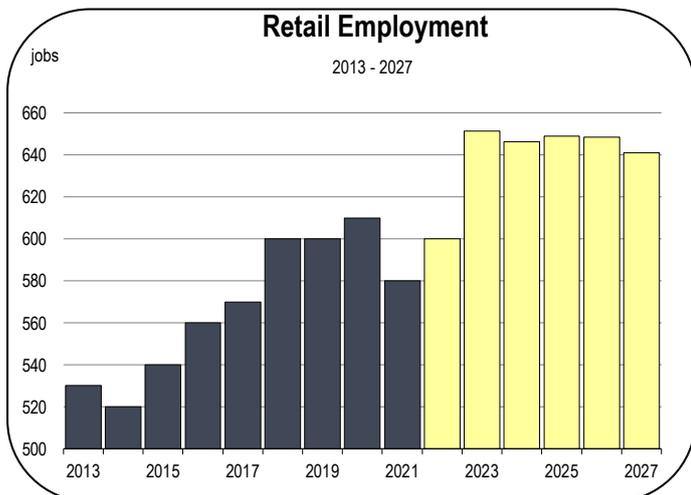


## Manufacturing Employment

- Manufacturing employment declined by 20 jobs in 2021. No growth is forecast for 2022 or 2023.
- It is likely that manufacturing employment will gradually contract over time. The largest manufacturing company is Sierra Pacific, a lumber manufacturer. Timber production has been in a general decline in Plumas County for several years.

## Retail Trade Employment

- So far, Plumas County has been able to avoid the “Retail Apocalypse” that has plagued other regions of California, but peak retail employment is approaching.
- Over the forecast period, the Plumas County population is expected to decline and competition from online retailers will intensify, leading to fewer customers for local brick-and-mortar shops.



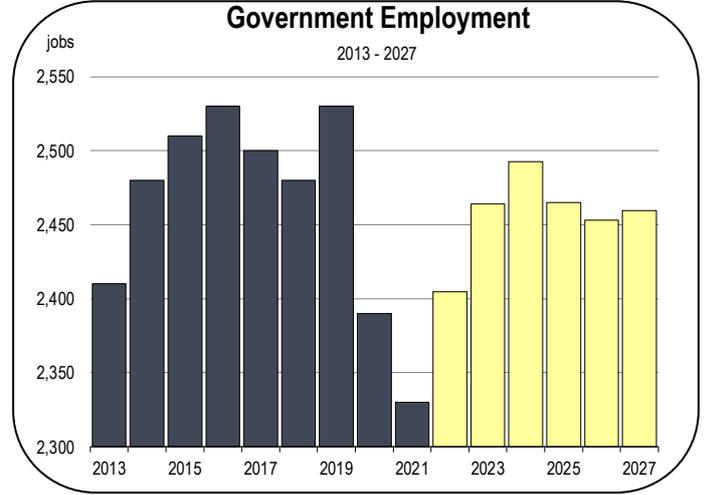
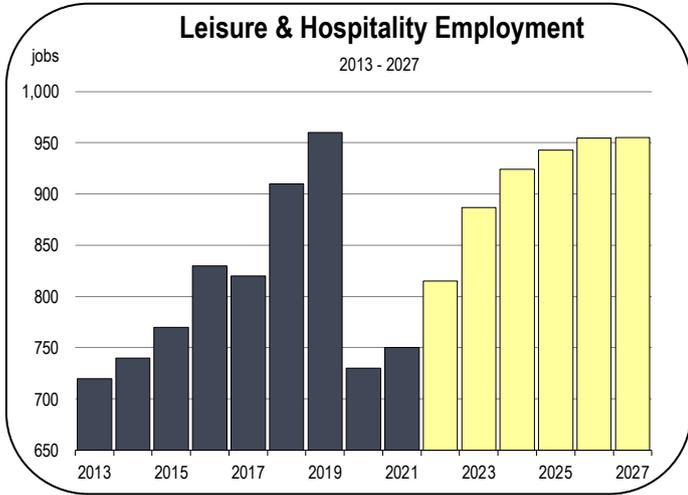
## Private Education and Healthcare Employment

- A large share of the local economy is represented by hospitals and health facilities.
- Healthcare is the third largest employment sector in Plumas County, behind only leisure services and government.
- Healthcare employment is expected to expand slowly over the forecast period.
- The largest healthcare employers are Plumas District Hospital and Eastern Plumas Healthcare.
- In Plumas County, there are very few jobs in private educational institutions. Most teachers and education administrators work in the government sector.

## Leisure and Hospitality Employment

- Most of the land area in Plumas County is comprised of forests, mountains, rivers, and lakes. The terrain offers hiking, camping, fishing, and other recreational opportunities that attract tourists from outside the region.
- Travelers visit Plumas County every year to experience its natural amenities, with overall tourism activity supporting hundreds of jobs at restaurants, hotels, shops, and related businesses.
- Employment increased by 20 jobs in 2021, and another 130 jobs are expected to be added in 2022 and 2023.
- Leisure and hospitality employment is expected to return to pre-pandemic levels by 2025 or 2026 and should expand through 2027.

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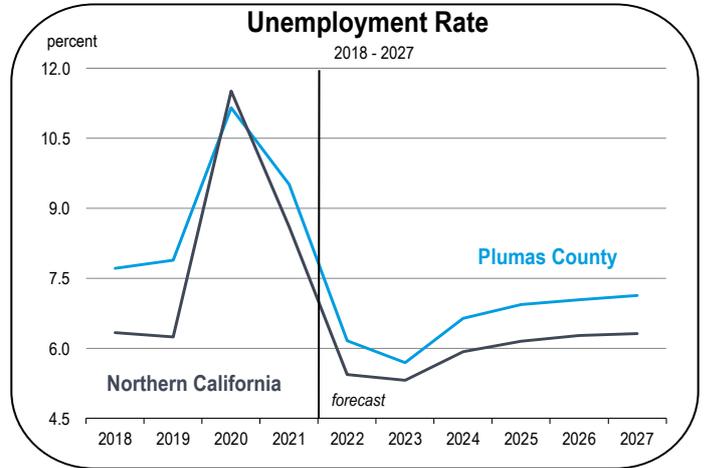
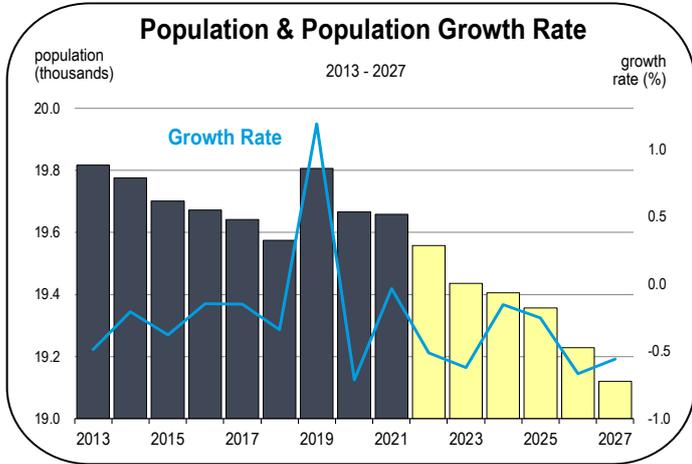
## Government Employment

- Government has historically been the largest employer in Plumas County, but recently the leisure and hospitality sector surpassed it.
- The largest government agencies are the local school districts and the US Forest Service.
- More than 70 government jobs will be restored by 2022, and employment will approach pre-pandemic levels by the end of the forecast period.



Lakes Basin Recreation Area has more than 20 small lakes alongside hiking trails, campgrounds, and other outdoor amenities. Located near the town of Graeagle, Lakes Basin Recreation Area is a meaningful driver of tourism in Plumas County.

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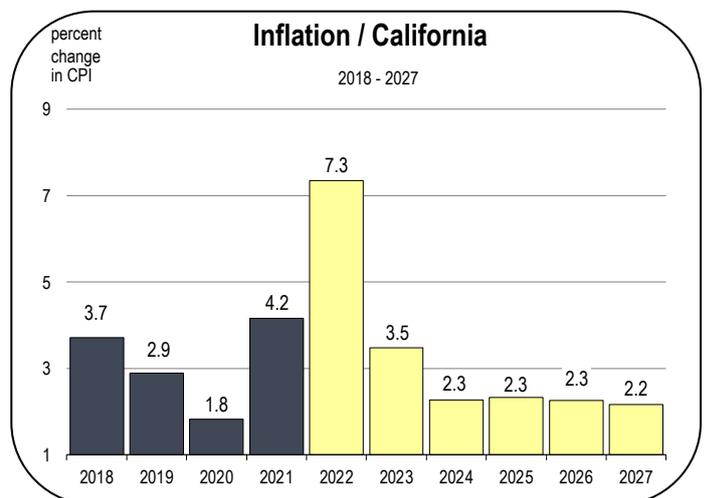
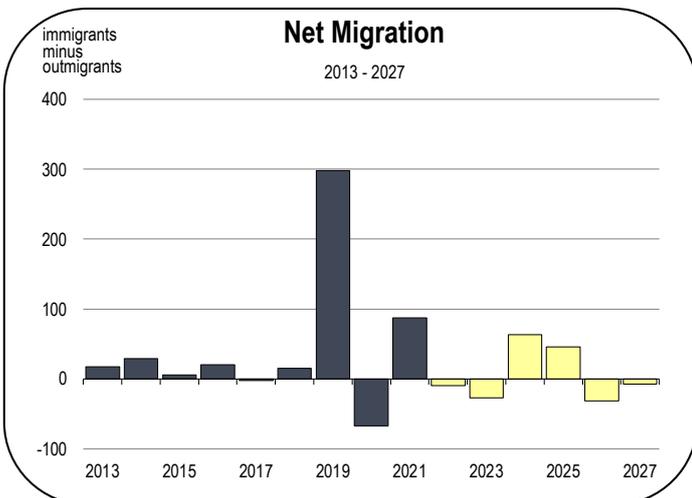
## Population Growth

- The population is expected to contract by approximately 500 residents by 2027. The forecast has the population at 19,100 during that time.
- The number of people moving into Plumas County is expected to exceed the number of residents moving out, but because Plumas County has an older population base, the number of deaths will exceed the number of births, offsetting any positive in-migration.
- Economic development efforts could attract higher levels of net migration into the county which would then reverse the current baseline forecast.

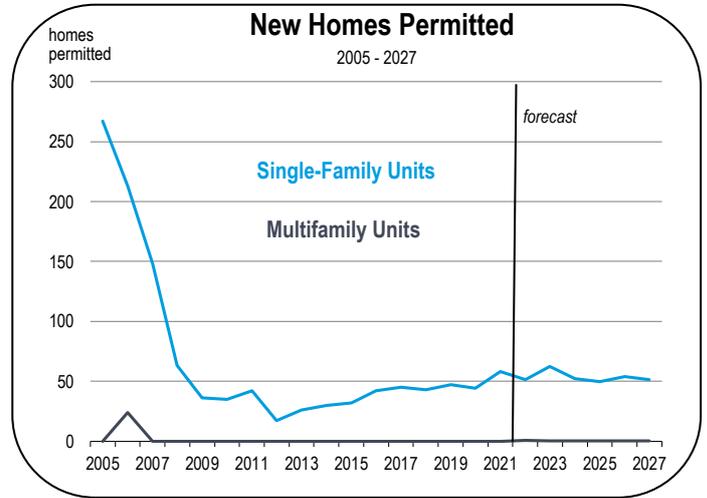
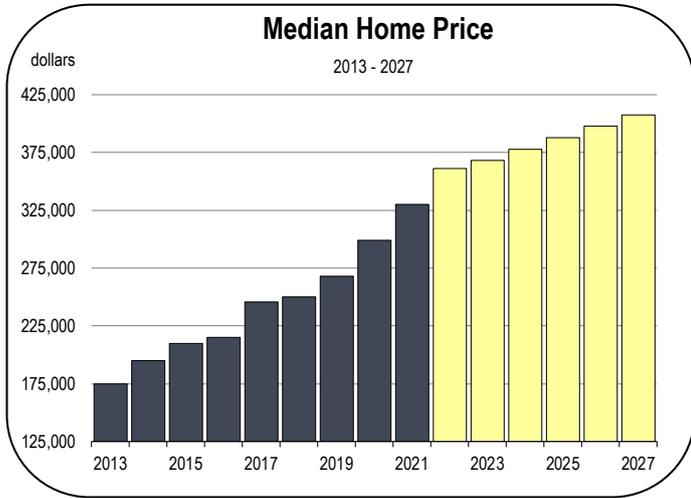
## Unemployment and Inflation Rates

- The unemployment rate in Plumas County averaged 9.5 percent in 2021. The unemployment rate is expected to average 6.2 percent in 2022 and 5.7 percent in 2023.

- Inflation decelerated sharply in 2020, largely because energy prices declined when the demand for fuels plunged.
- Inflation soared in 2021 and is expected to remain elevated for several years.
- During 2022 and into 2023, there will be a number of factors that will contribute to higher inflation. The most prominent will be:
  - Record spending by consumers and the federal government during 2021 and 2022
  - Fractures in the global supply chain that raise the cost of production for many businesses
  - Sharp increases in the cost of housing and energy
  - Labor market recruitment challenges that force companies to raise wages



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- Combined, these factors have pushed inflation to its highest rate in 40 years. Ultimately, inflation reduces the purchasing power of households and negatively impacts consumer confidence, limiting the growth potential of the economy in 2022.
- However, inflation will begin to decelerate after 2022 as supply chains and the labor force are restored, eventually falling to below 3 percent again by 2024.

## Home Prices and New Housing Production

- In 2021, the median home value for all housing in Plumas County was \$330,000. During 2022, the reported median selling price for single family detached homes was \$420,450, an increase of 6 percent over 2021.

- Home prices are expected to continue rising in Plumas County, which is typical for fire rebuild areas where neighborhoods are restored with newer homes.
- Despite these price increases, homes in Plumas County are much more affordable than homes in many other parts of California. In Plumas County, the typical household spends less than 20 percent of its income on housing costs. In Coastal California, households often spend 35-50 percent on mortgage payments or rent.
- From 2016 to 2021, an average of 47 new homes were built in Plumas County each year. All were single-family homes.



Feather River in Plumas County

# Plumas County Economic Forecast

- Housing production is expected to average 55 units from 2022 to 2027, consisting entirely of single-family homes. The growth of housing in recent years and over the forecast is above average because of fire rebuilds from the Claremont and Dixie Fires.
- Plumas County is filled with beautiful crystalline blue lakes, rivers, and scenic terrain. The county is also home to the Plumas Sierra County Fair.

## Lakes Basin

- Lakes Basin is part of the Plumas National Forest, located 9 miles southwest of Graeagle. Lakes Basin is comprised of over 20 glacially carved lakes connected by a multitude of trails.
- Visitors to Lakes Basin can hike, mountain bike, ride horseback, fish, hunt, and go boating. Camping is also available at Lakes Basin. Trailhead and day parking cost \$10.

## Plumas Sierra County Fair

- The Plumas Sierra County Fair happens every year in Quincy. The dates for the 2022 fair were July 28th to July 31st. The fair is located on a 62-acre plot of land and contains many attractions over its four-day runtime.
- Live music, livestock shows, and a carnival are present every day of the fair. Admission to the fair costs \$6 for adults (18 and up) and \$5 for kids (12-17).
- The Plumas Sierra County Fair was reinstated for the first time in two years in the summer of 2022. Attendance was reported to be up by approximately 10 percent from the levels reported for the 2019 fair.



Plumas Sierra County Fair

# Plumas County Economic Forecast

## Economic Indicators

## 2015-2021 History, 2022-2050 Forecast

	Population (people)	House- holds (thousands)	Net Migration (people)	New Homes Permitted (homes)	Registered Vehicles (thousands)	Personal Income (billions)	Taxable Retail Sales (millions)	Total Taxable Sales (millions)	Real Industrial Production (millions)	Real per Capita Income (dollars)	Unemployment Rate (percent)	Real Farm Production (millions)	Inflation Rate (percent)
2015	19,701	9.1	6	32	32.5	\$0.9	\$118	\$207	\$248	\$53,777	10.4	\$163	1.4
2016	19,672	8.9	20	42	33.3	\$0.9	\$121	\$221	\$310	\$54,432	9.9	\$169	2.3
2017	19,642	8.9	-2	45	32.7	\$1.0	\$149	\$252	\$420	\$54,999	9.0	\$173	3.0
2018	19,575	8.8	15	43	33.1	\$1.0	\$141	\$217	\$292	\$55,976	7.7	\$164	3.7
2019	19,807	8.8	298	47	33.9	\$1.1	\$151	\$235	\$406	\$56,335	7.9	\$162	2.9
2020	19,666	8.8	-67	44	34.0	\$1.0	\$177	\$275	\$287	\$55,374	11.2	\$162	1.8
2021	19,659	8.8	87	58	34.6	\$1.1	\$194	\$340	\$355	\$58,138	9.5	\$165	4.2
2022	19,558	8.9	-10	52	34.7	\$1.2	\$215	\$354	\$321	\$57,847	6.2	\$162	7.3
2023	19,436	8.9	-27	63	34.8	\$1.3	\$223	\$367	\$326	\$59,381	5.7	\$162	3.5
2024	19,406	8.9	63	53	34.9	\$1.3	\$225	\$371	\$329	\$60,685	6.6	\$165	2.3
2025	19,357	8.9	46	50	35.0	\$1.4	\$228	\$377	\$329	\$61,814	6.9	\$166	2.3
2026	19,228	8.9	-31	54	35.0	\$1.4	\$233	\$385	\$329	\$62,908	7.0	\$166	2.3
2027	19,120	9.0	-8	52	35.0	\$1.5	\$237	\$390	\$329	\$63,960	7.1	\$166	2.2
2028	19,013	9.0	-7	44	35.0	\$1.5	\$239	\$394	\$328	\$64,953	7.2	\$168	2.2
2029	18,903	9.0	-7	44	35.0	\$1.6	\$245	\$404	\$327	\$65,715	7.2	\$168	2.3
2030	18,840	9.0	40	43	35.0	\$1.6	\$251	\$414	\$326	\$66,456	7.2	\$168	2.2
2031	18,712	9.0	-20	44	35.0	\$1.7	\$256	\$423	\$325	\$67,278	7.2	\$166	2.1
2032	18,633	9.1	30	48	35.0	\$1.7	\$263	\$435	\$325	\$67,886	7.2	\$166	2.3
2033	18,514	9.1	-7	45	34.9	\$1.8	\$268	\$442	\$324	\$68,751	7.2	\$163	1.9
2034	18,347	9.1	-52	50	34.9	\$1.8	\$275	\$454	\$324	\$69,596	7.2	\$161	2.1
2035	18,183	9.1	-47	48	34.8	\$1.8	\$281	\$464	\$324	\$70,385	7.2	\$158	2.2
2036	17,973	9.1	-89	45	34.8	\$1.9	\$289	\$476	\$323	\$70,950	7.2	\$155	2.6
2037	17,791	9.2	-61	47	34.7	\$1.9	\$297	\$490	\$322	\$71,422	7.2	\$154	2.7
2038	17,634	9.2	-35	44	34.6	\$2.0	\$304	\$502	\$321	\$71,947	7.2	\$152	2.5
2039	17,411	9.2	-98	47	34.6	\$2.0	\$314	\$518	\$320	\$72,435	7.2	\$148	2.7
2040	17,189	9.2	-92	50	34.5	\$2.1	\$323	\$532	\$320	\$72,912	7.2	\$147	2.6
2041	17,023	9.2	-37	46	34.5	\$2.1	\$329	\$542	\$320	\$73,589	7.2	\$146	2.2
2042	16,836	9.3	-59	47	34.4	\$2.1	\$336	\$555	\$318	\$74,275	7.2	\$145	2.1
2043	16,650	9.3	-58	47	34.4	\$2.2	\$343	\$567	\$318	\$75,074	7.2	\$144	2.0
2044	16,505	9.3	-24	47	34.3	\$2.2	\$349	\$576	\$318	\$75,925	7.2	\$144	1.8
2045	16,321	9.3	-68	44	34.3	\$2.3	\$356	\$587	\$317	\$76,693	7.2	\$142	1.9
2046	16,243	9.3	33	47	34.3	\$2.3	\$364	\$601	\$316	\$77,304	7.2	\$144	2.0
2047	16,136	9.4	3	44	34.2	\$2.4	\$371	\$613	\$315	\$77,804	7.2	\$144	2.2
2048	16,032	9.4	3	52	34.2	\$2.4	\$383	\$632	\$314	\$78,169	7.2	\$144	2.3
2049	15,914	9.4	-14	51	34.2	\$2.5	\$391	\$645	\$315	\$78,795	7.2	\$145	2.0
2050	15,853	9.4	39	51	34.2	\$2.5	\$400	\$660	\$314	\$79,232	7.2	\$147	2.1

## Employment Sectors

## 2015-2021 History, 2022-2050 Forecast

	Total Wage & Salary	Farm	Construction	Manufac- turing	Transportation & Utilities	Wholesale & Retail Trade (jobs)	Financial Activities	Professional Services	Information	Health & Education	Leisure	Government
2015	6,350	30	320	460	300	600	170	290	60	660	770	2,510
2016	6,450	30	310	490	290	620	170	290	60	620	830	2,530
2017	6,480	40	310	490	290	620	170	300	60	620	820	2,500
2018	6,690	40	340	510	300	650	180	320	60	620	910	2,480
2019	6,810	40	330	520	280	660	160	330	60	640	960	2,530
2020	6,450	60	360	510	290	670	140	350	40	620	730	2,390
2021	6,320	60	340	490	260	640	160	330	40	610	750	2,330
2022	6,500	61	364	490	274	662	155	324	41	620	815	2,405
2023	6,730	61	369	487	291	713	155	341	41	626	887	2,464
2024	6,830	61	380	481	299	707	154	353	41	628	924	2,493
2025	6,830	61	372	475	308	708	152	361	41	630	943	2,465
2026	6,830	61	371	471	313	707	151	365	40	631	955	2,453
2027	6,830	61	375	466	318	698	150	364	40	631	955	2,459
2028	6,810	62	370	464	319	689	148	364	39	633	955	2,452
2029	6,770	61	363	457	320	678	147	362	39	633	953	2,445
2030	6,740	61	363	450	321	668	146	362	38	634	952	2,439
2031	6,720	61	362	445	321	657	144	358	38	634	949	2,440
2032	6,700	61	364	438	321	647	143	356	37	634	947	2,442
2033	6,660	61	367	431	320	635	142	353	37	634	944	2,433
2034	6,630	61	366	424	318	631	140	349	36	633	939	2,432
2035	6,600	61	370	417	316	630	138	345	36	632	933	2,421
2036	6,560	61	368	410	313	628	136	339	35	631	925	2,418
2037	6,530	61	366	403	310	628	134	334	34	629	918	2,416
2038	6,490	61	367	394	307	626	133	330	34	628	912	2,405
2039	6,450	61	366	387	304	626	131	324	33	626	904	2,401
2040	6,410	61	369	378	300	625	129	318	33	624	895	2,388
2041	6,380	61	371	371	297	623	127	314	32	622	888	2,386
2042	6,330	61	368	360	293	621	126	309	31	620	880	2,374
2043	6,290	61	370	352	290	620	124	304	31	619	872	2,372
2044	6,260	61	370	348	287	619	122	300	30	617	866	2,362
2045	6,210	61	368	338	284	617	121	295	30	615	859	2,350
2046	6,190	61	367	333	282	617	120	293	29	615	855	2,342
2047	6,170	61	369	327	280	615	119	290	29	614	851	2,342
2048	6,140	60	369	318	277	617	118	287	29	613	847	2,333
2049	6,130	60	376	311	275	616	116	284	28	612	843	2,334
2050	6,100	60	377	304	273	615	116	282	28	611	841	2,326

# Plumas County Economic Forecast

## Socioeconomic Indicators

